

# **ANNUAL REPORT**

of

Name:

MCI WORLDCOM COMMUNICATIONS, INC.

Principal Office:

22001 LOUDOUN COUNTY PARKWAY

ASHBURN, VA 20147

For the Year Ended: DECEMBER 31, 2004

# Alternative Telecommunications Utility -- Other Telecommunications Provider

To

# Public Service Commission of Wisconsin

•	P.O. Box 7854 Madison, WI 53707-7854
Home Page:	http://psc.wi.gov

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

Version: 4.00 2/11/05

# **RULES FOR REPORTING**

- 1. The annual report due date is April 1 of the following year. (Example: The 2004 report is due April 1, 2005.) If that date falls on a weekend or holiday, the annual report is due the following business day.
- Electronic filing via e-mail is required unless additional provisional confidential treatment is desired.
  Go to the Public Service Commission of Wisconsin's Web Page at http://psc.wi.gov and click on the
  appropriate program for Alternative Telecommunications Utility Other Telecommunications Providers (OTH).
  If additional confidential treatment is desired, see the Commission's Web Page for filing instructions using
  the Electronic Regulatory Filing (ERF) system.
- 3. Alternative Telecommunications Utility-Other Telecommunications Provider (ATU-Other) entities with no revenues for the report year are required to file an OTH annual report; however, such entities may instead qualify for the Web No Activity in Wisconsin OTH annual report.
- 4. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records of the utility. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to pertinent regulations.
- 5. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses.
- 6. Wherever information is requested in a "note," please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Limited footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
- 7. Numeric items are limited to digits (0-9). Do not type commas when entering numbers. A minus sign "-" should be entered in the software program to indicate negative values. The program will convert the minus sign to parentheses if a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
- 8. Report all dollar amounts to the nearest thousand dollars. (Example: \$130,000 should be reported as \$130.)
- 9. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
- 10. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
- 11. The OTH annual report program incorporates provisional confidentiality capability for selected items. These items vary from year to year and are based on the Commission's decision regarding confidential items in the annual report.
  - If additional provisional confidential treatment is desired, do not file the annual report electronically using the program's e-mail filing capabilities.
- 12. It is not necessary to manually or electronically "sign" the signature page. Do not file a hardcopy annual report printout with the Commission.

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# **RULES FOR REPORTING**

# 13. Edit Check, Confidential Listing, Exported Annual Report, and Export Status Files; Filing the Completed Report:

Program edit checks, which are located under the Admin dropdown menu, should be run at the completion of data entry. Each edit problem lists pertinent schedule(s) as well as the nature of the problem (such as "does not equal"). Edit items should be reviewed and corrected; unresolved problems should be footnoted in the report, if necessary. This screen automatically saves the edit checks to an .edt file that may be viewed and edited (for purposes of adding necessary notations) using a word processing package such as WordPad.

The confidential listing, which is located under the Admin dropdown menu, should also be run at the completion of data entry. This will create a .clf file.

Select the annual report to export from the Main-Report Selection window. Click Admin, Export Data to PSC to start the export process. This will create an .mdb file, which will subsequently be encrypted to a file with an .sen extension. An export status file is also created (with a .txt extension). The export status file may also be viewed in a word processing package such as WordPad. If you encounter any export errors, please contact the Commission for assistance.

The .edt, .clf, .sen, and .txt files will be zipped to a file with a .zip extension. An e-mail message will be created, addressed to pscrecs@psc.state.wi.us. The .zip file is automatically attached to the e-mail message. After the e-mail is created, it will automatically be sent to the Commission.

Once received and processed by the Commission, you will receive a response indicating that your annual report has been received and is being processed. You will be notified if there are any problems with the annual report filing.

#### 14. Name Changes:

If a name change (e.g., the new name, the date of the change, and the affected entities with their respective four-digit Commission identification numbers) is identified in the report, documents from the State of Wisconsin Department of Financial Institutions (DFI) also must be submitted to the Commission:

A domestic corporation should send a copy of the stamped page from its Articles of Amendment as filed with DFI. A foreign corporation should send a copy of their Amended Certificate of Authority as issued by DFI. These documents can be obtained by:

- 1. Calling DFI at (608) 261-7577;
- 2. Contacting DFI on the web at http://wdfi.org; or
- 3. By writing to DFI at P.O. Box 7846, Madison, WI 53707-7846.

A name change is not effective in the Commission's records until a separate notification letter is sent to the Commission including documentation to confirm registration of that change with the State of Wisconsin Department of Financial Institutions.

#### 15. Changes to the Annual Report Subsequent to Filing:

If making revisions to the report subsequent to an electronic filing (i.e., using the program's e-mail capabilities) with the Commission, resubmit the report via e-mail following the procedures set forth above in item number 13. New edit check, confidential listing, exported annual report, and export status files should be created as a result of the revisions.

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# **RULES FOR REPORTING**

Revisions to an annual report previously filed on a manual basis (i.e., using the Commission's ERF system) also require a new complete manual filing.

 Municipalities authorized by the Commission as competitive local exchange carriers (CLECs) should report only the CLEC-related amounts in the OTH annual report.

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PSCW Report: OTH Telecommunications

# SIGNATURE PAGE

HALEH DAVARY		of
(Person responsible for acc	counts)	
MCI WORLDCOM COMMUNICATIONS	, INC.	, certify that I
(Utility Name)		
am the person responsible for accounts; that I have examined knowledge, information and belief, it is a correct statement of period covered by the report in respect to each and every ma	the business and affairs o	
HALEH DAVARY	03/31/2005	
(Person responsible for accounts)	(Date)	
REGULATORY COMPLIANCE ANALYST		
MEGULATURE COMPLIANCE ANALTST		

(Title)

# **TABLE OF CONTENTS**

Schedule Name	Page
Cover Page	1
Rules for Reporting	_ 2_
Signature Page	3
Table of Contents	4_
Identification and Ownership	5
Income Statement - Wisconsin Total Operations	7
Total Company Balance Sheet	8
Total Company Balance Sheet - Notes	10
Telecommunications Plant in Service & Accumulated Depreciation & Amortization - Wisconsin	12
Operating Revenues	14
Number of Lifeline and Linkup Customers	16
Year-End Number of Lines	16
Central Office Data - End of Year	19
Assessable Revenues	20
Other Information	21
Schedule And Report Notes	22_
Services Offered	24
Communities Served with Basic Local Service	25

Date Printed: 04/01/2005 2:16:44 PM

Year ended: December 31,2004 Utility No. 3775 - MCI WORLDCOM COMMUNICATIONS INC Copy 1 of Page 5

#### IDENTIFICATION AND OWNERSHIP

**Exact Utility Name:** 

MCI WORLDCOM COMMUNICATIONS, INC.

**Utility Location:** 

22001 LOUDOUN COUNTY PARKWAY

ASHBURN, VA 20147

Utility (or Parent/Holding Company) Web Site Address: WWW.MCI.Com Date utility authorized to provide service in Wisconsin: 02/08/1995

State in which utility was organized: Delaware

Organization type: Corporation

**New Utility Name:** 

Effective Date:

Telephone numbers for potential customers to contact company:

Business Customers: (800) 749 - 9600 Residential Customers: (800) 444 - 3333

# Officer in charge of correspondence concerning this report

Name:

HALEH DAVARY

Title:

REGULATORY COMPLIANCE ANALYST

Firm/Company:

MCI WORLDCOM COMMUNICATIONS, INC.

Office Address:

201 SPEAR STREET, 9TH FLOOR

SAN FRANCISCO, CA 94105

Fax Number:

(415) 228 - 1094

Telephone Number:

(415) 228 - 1072

Email Address:

Haleh.Davary@MCI.Com

#### Individual or firm, if other than utility employee, preparing this report

Name:

Title:

Firm/Company:

Office Address:

Fax Number:

Telephone Number:

**Email Address:** 

## **IDENTIFICATION AND OWNERSHIP**

## Name and address of the office where the utility's books are kept

Name:

JENNIFER MCGAREY

Title:

SECRETARY

Firm/Company:

MCI WORLDCOM COMMUNICATIONS, INC.

Office Address:

22001 LOUDOUN COUNTY PARKWAY

ASHBURN, VA 20147

Fax Number:

(703) 886 - 0860

**Telephone Number:** 

(703) 886 - 5600

**Email Address:** 

# Contact person for regulatory inquiries and complaints

Name:

DEBORAH KUHN

Title:

SENIOR COUNSEL

Firm/Company:

MCI WORLDCOM COMMUNICATIONS, INC.

Office Address:

205 NORHT MICHIGAN AVENUE

CHICAGO, IL 60601

Fax Number:

(312) 260 - 3326

Telephone Number:

(312) 470 - 5571

Email Address:

Deborah, Kuhn@MCI, Com

# Primary Utility Contact (located at utility address)

Name:

**DEBORAH KUHN** 

Title:

SENIOR COUNSEL

Firm/Company:

MCI WORLDCOM COMMUNICATIONS, INC.

Office Address:

205 NORTH MICHIGAN AVENUE

CHICAGO, IL 60601

Fax Number:

(312) 260 - 3326

**Telephone Number:** 

(312) 470 - 5571

**Email Address:** 

Deborah.Kuhn@MCI.Com

List names, addresses, and percent ownership interest held by persons owning 5 percent or more of outstanding voting securities or membership interests. If any stock (or interest) is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name:

MCI WORLDCOM NETWORK SERVICES, INC.

Address:

22001 LOUDOUN COUNTY PARKWAY

ASHBURN, VA 20147

Percent Interest Held:

100

Beneficial Owner:

NONE

Year ended: December 31,2004 Utility No. 3775 - MCI WORLDCOM COMMUNICATIONS INC Copy 3 of Page 5

# **IDENTIFICATION AND OWNERSHIP**

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name:

NONE

Form of Interest:

NONE

Extent of Interest:

NONE

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# **INCOME STATEMENT - WISCONSIN TOTAL OPERATIONS**

Particulars (a)	Wisconsin Total % This Year (b)	This Year (000's) (c)	
Operating Revenues	0 %	CONF	1
OPERATING EXPENSES		"	<del></del>
Access and Billing Expenses	0 %	CONF	2
Local Interconnection	0 %	CONF	3
Other Charges Imposed by Another Carrier	0 %	CONF	4
Communication System Operations	0 %	CONF	5
Depreciation and Amortization	0 %	CONF	6
Other	0%	CONF	7
Total Operating Expenses	0 %	CONF	8
Net Operating Income	0%	CONF	9
Total Nonoperating Income	0 %	CONF	10
Net Income	0 %	CONF	11

Income Statement - Wisconsin Total Operations Note:

Please state the bases upon which the Wisconsin total factors were developed and provide supporting calculations.

Year ended: December 31,2004 Utility No. 3775 - MCI WORLDCOM COMMUNICATIONS INC Copy 1 of Page 8

# TOTAL COMPANY BALANCE SHEET

Particulars (a)	BalanceEOY (000's)(b)	
ASSETS		<del></del>
TOTAL CURRENT ASSETS	CONF	1
TOTAL NONCURRENT ASSETS	CONF	2
TOTAL PLANT	CONF	3
TOTAL ASSETS AND OTHER DEBITS	CONF	
LIABILITIES AND CAPITAL	CONF	4
TOTAL CURRENT LIABILITIES		
TOTAL LONG-TERM DEBT	CONF	5
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS		6
STOCKHOLDERS' EQUITY  Retained Earnings	CONF	7
Other Stockholders' Equity	CONF	8
TOTAL STOCKHOLDERS' EQUITY	CONF	
TOTAL LIABILITIES AND OTHER CREDITS	CONF	

# **TOTAL COMPANY BALANCE SHEET - NOTES**

Other information	concorning th	an total namena	balance cheef
Other information	concerning tr	ie totai combany	Dalance Sneet

MCI, Inc. does not maintain state-specific financial statements.

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Year ended: December 31,2004 Utility No. 3775 - MCI WORLDCOM COMMUNICATIONS INC Copy 1 of Page 12

# TELECOMMUNICATIONS PLANT IN SERVICE & ACCUMULATED DEPRECIATION & **AMORTIZATION - WISCONSIN**

Plant Function (a)	Additions This Year (000's)(b)	Plant In Service EOY (000's)(c)	Acc. Depr. & Amortization EOY (000's)(d)	Net Plant In Service EOY (000's)(e)	
TOTAL GENERAL SUPPORT	CONF	CONF	CONF	CONF	1
TOTAL CENTRAL OFFICE	CONF	CONF	CONF	CONF	2
TOTAL INFORMATION ORIG./TERM	CONF	CONF	CONF	CONF	3
TOTAL CABLE WIRE FACILITIES	CONF	CONF	CONF	CONF	4
TOTAL AMORTIZABLE	CONF	CONF	CONF	CONF	5
TOTAL PLANT IN SERVICE	CONF	CONF	CONF	CONF	

# **OPERATING REVENUES**

Particulars (a)	Wisconsin- Based Intrastate (000's)(b)	Wisconsin- Based Interstate (000's)(c)
LOCAL NETWORK SERVICES REVENUES	(000 0)(0)	(
End User Retail	CONF	CONF 1
Private Line & Special Access	CONF	CONF 2
Resale of Local Service	CONF	CONF 3
CONF	CONF	CONF 4
NETWORK INTERSTATE ACCESS SERVICE REVENUES		
End User Line Charge		CONF 5
Switched		CONF 6
Special		CONF 7
NETWORK INTRASTATE ACCESS SERVICE REVENUES	25 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	
Switched	CONF	8
Special	CONF	9
CONF	CONF	10
LONG DISTANCE NETWORK SERVICES MESSAGE REVENUES		<del>-</del>
CONF	CONF	CONF 11
MISCELLANEOUS REVENUES		
Reciprocal Compensation	CONF	CONF 12
Other Interconnection	CONF	CONF 13
Unbundled Network Elements (UNEs) and UNE Platform (UNE-P)	CONF	CONF 14
Video Distance Learning	CONF	CONF <b>15</b>
Directory	CONF	16
CONF	CONF	CONF 17
NONREGULATED REVENUES		
CONF	CONF	CONF 18
GROSS OPERATING REVENUES	CONF	CONF
UNCOLLECTIBLE REVENUES		
CONF	CONF	CONF 19
TOTAL UNCOLLECTIBLE REVENUES	CONF	CONF
TOTAL OPERATING REVENUES	CONF	CONF

# **OPERATING REVENUES (cont.)**

Particulars (d)	Wisconsin- Based Total (000's)(e)	Total Company (000's)(f)
LOCAL NETWORK SERVICES REVENUES		
End User Retail	CONF	CONF 1
Private Line & Special Access	CONF	CONF 2
Resale of Local Service	CONF	CONF 3
CONF	CONF	CONF 4
NETWORK INTERSTATE ACCESS SERVICE REVENUES		
End User Line Charge	CONF	CONF 5
Switched	CONF	CONF 6
Special	CONF	CONF 7
NETWORK INTRASTATE ACCESS SERVICE REVENUES		
Switched	CONF	CONF 8
Special	CONF	CONF 9
CONF	CONF	CONF 10
LONG DISTANCE NETWORK SERVICES MESSAGE REVENUES		
CONF	CONF	CONF 11
MISCELLANEOUS REVENUES		
Reciprocal Compensation	CONF	CONF 12
Other Interconnection	CONF	CONF 13
Unbundled Network Elements (UNEs) and UNE Platform (UNE-P)	CONF	CONF 14
Video Distance Learning	CONF	CONF 15
Directory	CONF	CONF 16
CONF	CONF	CONF 17
NONREGULATED REVENUES		
CONF	CONF	CONF 18
GROSS OPERATING REVENUES	CONF	CONF
UNCOLLECTIBLE REVENUES		
CONF	CONF	CONF 19
TOTAL UNCOLLECTIBLE REVENUES	CONF	CONF
TOTAL OPERATING REVENUES	CONF	CONF

Date Printed: 04/01/2005 2:16:51 PM

# YEAR-END NUMBER OF LINES

Report voice grade and/or DS0 equivalent lines serving end users.

Local Telecommunications Line Type (a)	Wisconsin-Based Total (Actual No.) (b)	
 Residential	CONF	1
Business	CONF	2
 Total	CONFIDENTIAL	3

# NUMBER OF LIFELINE AND LINKUP CUSTOMERS

Number of Lifeline and Linkup Customers (a) Wisconsin (Actual No.)(b)

Number of Lifeline Customers in Wisconsin at December 31, 2004

Number of Linkup Customers in Wisconsin Connected During 2004

CONFIDENTIAL<sup>1</sup>

Year ended: December 31,2004 Utility No. 3775 - MCI WORLDCOM COMMUNICATIONS INC Copy 1 of Page 19

# **CENTRAL OFFICE DATA - END OF YEAR**

When an exchange has more than one central office, data must be reported for each central office.

Description	Central Off.	Central Off.	Central Off.	Central Off.
(a)	(b)	(c)	(d)	(e)

# **ASSESSABLE REVENUES**

Description (a)	This Year (000's)(b)
Calculation of Assessable Revenues for Remainder and Telephone Relay Assessment P	urposes
Gross Operating RevenuesWisconsin (including outbound interstate revenues)	CONF 1
Less: Inbound Interstate Revenues (exclusive of uncollectible service revenues) Included in Line 1 (if any)	CONF 2
Less : Current Year Write-offs of Uncollectible Revenues	CONF 3
Plus: Current Year Collection of Operating Revenues Previously Written Off	CONF 4
Less : Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)	CONF 5
Plus: Nonregulated Net Write Off Amount (included on Lines 3 and 4)	CONF 6
Total Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	CONF 7
Assessable Revenues for Universal Service Fund Assessment Purposes	
Wisconsin Gross Intrastate Operating Telecommunications Service Revenue	CONF 8

#### **Notes**

"Gross Operating Revenues--Wisconsin" are revenues before consideration of uncollectible revenues. These revenues include revenues from inbound interstate 800 and collect calls billed to customers in Wisconsin.

"Outbound interstate revenues" are service operations revenues received from communications originating at points within Wisconsin and terminating at points outside the state.

"Inbound interstate revenues" are service operations revenues received from communications originating at points outside the State of Wisconsin and terminating at points within the state.

(NOT TO BE EXCLUDED HERE ARE INBOUND INTERSTATE 800 AND COLLECT REVENUES BILLED TO CUSTOMERS IN WISCONSIN).

"Gross" means revenue before consideration of uncollectible amounts. Access expenses may not be netted against assessable revenues.

"Intrastate" means telecommunications service originating and terminating within the State of Wisconsin.
Intrastate revenue does not include interstate access revenue.

"Operating" means provision of telecommunications services.

"Telecommunications service revenue" for the purpose of this assessment does not include cable television service, broadcast service, rents, directory revenue, carrier billing and collection revenue, nonregulated customer premises equipment revenue, or other miscellaneous or nonregulated revenue.

However, it does include video distance learning revenue and payphone revenue

(the latter which was deregulated in 1997).

# **OTHER INFORMATION**

Additional or other information concerning this annual report.

None.

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#### SCHEDULE AND REPORT NOTES

#### **General Footnote**

Company does not provide local service in Wisconsin at this time. Unregulated revenue amount includes equipment rental, installation charges and internet access. (Page 14-15)

#### **Schedule Footnotes**

#### Total Company Balance Sheet Footnote. Page 8

MCI, Inc. does not maintain state-specific financial statements.

#### Operating Revenues Footnote. Page 14

Unregulated revenue amount includes equipment rental, installation charges and internet access. (Page 14-15)

#### Year-End Number of Lines Footnote. Page 16

Company does not provide local service in Wisconsin at this time, there are no local lines to report.

#### Number of Lifeline and Linkup Customers Footnote. Page 16

Company does not provide local service in Wisconsin at this time, there are no lifeline or linkup customers.

#### Central Office Data - End of Year Footnote. Page 19

Company has no local facilities to report.

#### Communities Served with Basic Local Service Footnote. Page 25

Company does not provide local service in Wisconsin at this time.

# **SERVICES OFFERED**

1	Does the company currently offer basic local telecommunications service (voice grade) in one or more Wisconsin locations to Residential customers?	No
2	Does the company currently offer basic local telecommunications service (voice grade) in one or more Wisconsin locations to Business customers?	No
3	Does the company currently offer basic local telecommunications service (voice grade) to residential and/or business customers in all of SBC's Wisconsin service territory?	No
4	Does the company currently offer basic local telecommunications service (voice grade) to residential and/or business customers in all of Verizon North's Wisconsin service territory?	No

# Does the company currently offer the following services in one or more Wisconsin locations:

5	Company calling cards	No
6	Long distance service	Yes
7	Operator services	Yes
8	Dial-up Internet services	Yes
9	DSL	No
10	Cable modem Internet access	No
11	Wireless Internet	No
12	Voice over Internet protocol (VoIP)	No
13	Dark fiber	No
14	Fiber to the Premise	No
15	Digital TV	No
16	Wholesale	No
17	Other	No

Year ended: December 31,2004 Utility No. 3775 - MCI WORLDCOM COMMUNICATIONS INC Copy 1 of Page 25

# **Communities Served with Basic Local Service**

County N	ame Municipality I	Name Municipality Type
(a)	(b)	(c)

NONE

1